

CITY OF MUSKEGON

CITY COMMISSION MEETING

JUNE 25, 2013

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, MI at 5:30 p.m., Tuesday, June 25, 2013.

Mayor Gawron opened the meeting with a prayer from George Monroe from Evanston Avenue Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Gawron, Vice Mayor Lawrence Spataro, Commissioners Byron Turnquist, Lea Markowski, Eric Hood, Willie German, and Sue Wierengo, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Cummings.

2013-53 INTRODUCTIONS/PRESENTATION:

A. Recognition of Spring 2013 Citizen's Police Academy Graduates. PUBLIC SAFETY

Public Safety Director Jeff Lewis read the resolution and thanked the 2013 Citizen's Police Academy for their faithful attendance, completion and graduation from the ten week academy.

2013-54 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes of the June 10th Commission Worksession Meeting, and the June 11th City Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Selection of Vinyl Siding Supplier for Fiscal Year 2013-2014. COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the Community and Neighborhood Services department's selection of the Vinyl Siding Supplier for 2013-2014 fiscal year.

After reviewing all bids, the department selected the bid from Home Acres Building Supply Co, LLC, located at 2121 Harvey St, Muskegon, MI, for the price of \$47.10 per building square for white and \$49.50 per square for color.

The Community and Neighborhood Services department received 3 additional bids from:

1. Weber Lumber, Muskegon White - \$48.00/sq Color - \$49.50/sq
2. Keene Lumber, Muskegon White - \$50.00/sq Color - \$51.00/sq
3. Sethco Lumber, Muskegon White - \$58.34/sq Color - \$59.34/sq

FINANCIAL IMPACT: Funding will be disbursed from the 2013-2014 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The funding for the Vinyl Siding program was approved by the Commission during the 2013-2014 allocation period last May.

C. Selection of Vinyl Siding Installer for Fiscal Year 2013-2014.
COMMUNITY & NEIGHBORHOOD SERVICES

SUMMARY OF REQUEST: To approve the Community and Neighborhood Services to sign a contract with Tucker Construction, 1620 Fruitvale Rd, Holton, MI, to install vinyl siding at an agreed price of \$39.00 per building square for the Vinyl Siding program's 2013-2014 fiscal year.

The Community and Neighborhood Services office received 2 additional bids from vinyl siding installers:

- Barnes and Telman Solutions LLC, Fruitport \$72.00
- Bradfield Home Improvement, Grand Haven \$85.00

FINANCIAL IMPACT: Funding will be disbursed from the 2013-2014 Community Development Block Grant Vinyl Siding fund.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the request

COMMITTEE RECOMMENDATION: The funding for the Vinyl Siding program was approved by the Commission during the 2013-2014 allocation period last May.

D. Amendment to Current 3-Year Concession Contract to Include Motor/Jet Boat Tube Rides at Pere Marquette Park and Harbour Towne Beach. PUBLIC WORKS

Removed per request of applicant.

E. L-3 Video Systems. PUBLIC WORKS

SUMMARY OF REQUEST: Authorize staff to purchase 1 new server and 18 L-3

video systems out of Boonton, New Jersey, upgrades to our current video systems.

FINANCIAL IMPACT: \$60,830.

BUDGET ACTION REQUIRED: The purchase is in the 2013/2014 budget.

STAFF RECOMMENDATION: Authorize staff to purchase 1 new server and 18 L-3 video systems upgrades from L-3 Communications.

F. 2013-2014 Michigan Municipal League Membership Dues. CITY CLERK

SUMMARY OF REQUEST: Approval to pay the 2013-2014 MML dues in the amount of \$9,346. This is an increase of \$220.

FINANCIAL IMPACT:

MML Dues	\$8,496
Legal Defense Fund	<u>\$ 850</u>
Total:	\$9,346

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

G. Special Event Request – “Moosefest”, August 17, 2013. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: The Child Abuse Council has filed a special event application for their annual Moosefest music festival to be held at Heritage Landing on Saturday, August 17, 2013. This year, they would like permission to sell liquor as part of their license.

One of the Moosefest vendors, Jim Beam, would like to sell slush-type drinks containing liquor. The liquor is pre-measured and comes in a pouch, which is then frozen and served by the cup. This would a very similar product to what the former Summer Celebration sold at their “tiki bar” during that festival. No liquor will be poured from bottles.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: None.

Motion by Vice Mayor Spataro, second by Commissioner German to approve the Consent Agenda as read except Item D which was withdrawn by the applicant.

ROLL VOTE: Ayes: Markowski, Gawron, Hood, Spataro, German, Wierengo, and Turnquist

Nays: None

MOTION PASSES

2013-55 NEW BUSINESS:

A. Water Rate Increase. FINANCE

SUMMARY OF REQUEST: Staff is recommending a 10% water rate increase (from \$1.54 to \$1.69 per hundred cubic feet or \$2.06 to \$2.27 per 1000 gallons) effective October 1, 2013. The increase is needed to provide adequate cash reserves for operating and capital needs, maintain debt service coverage ratios as required by the City's water revenue bond covenants and stabilize water system finances until the new municipal customers begin water purchases from the system in 2015. Water use has declined significantly in the last decade due to economic conditions, improved conservation efforts, and rapidly rising sewage treatment costs.

FINANCIAL IMPACT: The proposed rate increase will generate an estimated \$425,000 in additional water revenue in FY2014. The following table compares existing and proposed rates to other area communities and provides an estimate of the monthly impact on typical households:

Community	Water rate based on 7,500 gals*	Fixed Charge or Water Admin	Total Monthly Bill	Water rate based on 15,000 gals*	Fixed Charge or Water Admin	Total Monthly Bill
Whitehall	\$ 2.00	\$ -	\$ 15.00	\$ 2.00	\$ -	\$ 30.00
Muskegon (current)	2.06	-	15.44	2.0	-	30.88
Muskegon (proposed)	2.27	-	17.00	2.2	-	33.99
Montague	2.30	6.60	23.85	2.3	6.60	41.10
Muskegon Heights	2.38	7.79	25.64	2.3	7.79	43.49
Grand Rapids	2.37	9.99	27.77	2.3	9.99	45.54
Roosevelt Park	3.38	8.31	33.66	3.3	8.31	59.01
Norton Shores	3.69	8.22	35.90	3.6	8.22	63.57
Muskegon Township	4.34	9.00	41.60	4.3	9.00	74.20
North Muskegon	4.55	10.00	44.00	4.5	10.00	78.00
Average	\$ 2.93	\$ 8.56	\$ 27.99	\$ 2.93	\$ 8.56	\$ 49.98
<i>* Water rates are expressed per 1,000 gallons of use</i>						

BUDGET ACTION REQUIRED: Revenue estimates included in the forthcoming 2013-14 budget are based on the new rate structure.

STAFF RECOMMENDATION: Approval of the resolution increasing water rates effective 10/1/2013.

Motion by Vice Mayor Spataro, second by Commissioner Hood to adopt the resolution increasing the water rates effective October 1, 2013, as presented.

ROLL VOTE: Ayes: Gawron, Hood, Spataro, German, Wierengo, Turnquist, and

Markowski

Nays: None

MOTION PASSES

B. Wastewater Billing Settlement Agreement. CITY MANAGER

SUMMARY OF REQUEST: To approve a Settlement Agreement with the County of Muskegon regarding a wastewater billing dispute.

FINANCIAL IMPACT: \$400,000 paid to the City.

BUDGET ACTION REQUIRED: None at this time.

STAFF RECOMMENDATION: To approve the Settlement Agreement and authorize the Mayor and Clerk to sign it. Further, the Mayor and Clerk are hereby authorized to sign the Master Contract for the Muskegon County Wastewater System.

Motion by Commissioner Hood, second by Commissioner Wierengo to approve the Settlement Agreement and authorize the Mayor and Clerk to sign it and also to sign the Master Contract.

ROLL VOTE: Ayes: Hood, Spataro, German, Wierengo, Turnquist, Markowski, and Gawron

Nays: None

MOTION PASSES

C. Farmers Market/Bike Time. CITY MANAGER

SUMMARY OF REQUEST: To continue to support the Bike Time event and approve proposed uses of City facilities during Bike Time in 2014, as they specifically relate to the Farmers Market:

1. Close Western Avenue from Eighth Street to Terrace Street (except to motorcycles) for use as Bike Time's "Steel Horse Alley";
2. Lease the stalls in the south building to Bike Time from Thursday through Sunday (only charge for Thursday and Saturday), including the parking spaces between the building and Western Avenue.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the request.

COMMITTEE RECOMMENDATION: The Mayor appointed an internal committee comprised of Commissioners and staff, and the committee supports the request.

Motion by Vice Mayor Spataro, second by Commissioner German to table and direct staff to have a meeting with Market Master, Vendors, Bike Time, City Staff,

and Commission.

ROLL VOTE: Ayes: German, Wierengo, Turnquist, Markowski, Hood, and Spataro

Nays: Gawron

MOTION PASSES

ANY OTHER BUSINESS: The summer program at Muskegon High School was discussed.

PUBLIC PARTICIPATION: Public comments were received.

ADJOURNMENT: The City Commission Meeting adjourned at 6:53 p.m.

Respectfully submitted,

Ann Marie Cummings, MMC
City Clerk